



Republic of the Philippines  
Department of Finance  
**BUREAU OF CUSTOMS**  
Manila

February 14, 2014

**CUSTOMS MEMORANDUM ORDER**  
NO. 06-2014

**SUBJECT: REALIGNMENT OF THE X-RAY INSPECTION PROJECT (XIP) TO THE ENFORCEMENT GROUP AND DESIGNATION OF DUTY CUSTOMS EXAMINERS AT THE XIP DESIGNATED EXAMINATION AREA/FIELD OFFICE BY THE DISTRICT COLLECTOR**

In line with the on-going reorganization of the Bureau, there is a need to realign the X-ray Inspection Project (*XIP*) in recognition of its law enforcement function considering that x-ray is a frontline border protection facility. Beyond question, x-ray inspection is a centerpiece project for a modernized and efficient customs service and should therefore, be accorded permanency.

There is also a need to strengthen integrity in the Bureau of Customs by enhancing transparency in customs processes and procedures.

It is along this line that customs examiners will be given a role in the conduct of non-intrusive container inspection. Container X-ray operation neither diminishes nor supplants the statutory duties of a customs officer to examine, classify, and appraise imported articles pursuant to Section 1403 of the Tariff and Customs Code of the Philippines (TCCP), as amended. It is foremost a mandate on the part of customs examiner to conduct thorough examination on selected high-risk shipments, under pain of sanction under Section 3604 of the TCCP.

To prevent, however, potential overcrowding at the x-ray examination area, it is practical to rationalize the deployment of customs examiners who will be tasked to conduct preliminary inspection of the cargo. This will dispense with the need for every assigned examiner for a specific Import Entry to perform the preliminary inspection by themselves at the XIP Designated Examination Area (XIP-DEA).

In view of the foregoing, the following rules and regulations are hereby adopted:

**SECTION 1. REALIGNMENT OF XIP TO THE ENFORCEMENT GROUP.** The X-ray Inspection Project (XIP) is hereby realigned from the Office of the Commissioner to the Enforcement Group (EG). Henceforth, the Head, XIP shall report directly to the Deputy Commissioner, EG.

**SECTION 1.1.** In the interim, the Deputy Commissioner, EG, upon the recommendation of the XIP Head and in consultation with the Director, Enforcement and Security Service (ESS), is hereby authorized to reshuffle personnel within the XIP or reassign existing ESS personnel performing duties at the XIP back to their mother units and *vice versa*.

**SECTION 1.2.** The Head, XIP shall submit a proposal for the conversion of the XIP into a full-time plantilla Service under the Enforcement Group.

**SECTION 1.3.** The Head, XIP shall be responsible for taking measures to achieve an appropriate rate of detection of prohibited, restricted, misdeclared, underdeclared, undeclared, and otherwise illegal imports.

**SECTION 2. ASSIGNMENT OF DUTY EXAMINERS AT THE XIP DESIGNATED EXAMINATION AREA.** To prevent collusion among the x-ray operators, the District/Port Collector in a collection district/port where container x-ray inspections are conducted, is hereby directed to assign two (2) Duty Examiners for the day at the (XIP-DEA). In ports where the volume of containers subject for x-ray inspection is low, the District/Port Collector may assign only one (1) Duty Examiner for the day.

**SECTION 2.1.** The Duty Examiner/s shall be taken from the pool of examiners actually performing assessment functions at the Formal Entry, Informal Entry, Warehousing Assessment Divisions and other assessment divisions of the port. Except for justifiable reason, no customs examiner actually performing examination or assessment duties shall be exempt from being assigned as Duty Examiner.

**SECTION 2.2.** The examiners shall be designated on a rotational basis as **Duty Examiner/s for the Day** at the XIP-DEA. The District/Port Collector shall establish the daily tour of duty of each Duty Examiner, which does not exceed one (1) day, a copy of which shall be furnished to the Field Officer for proper guidance. Substitution of duty is not allowed unless approved by the District/Port Collector, provided that no Duty Examiner shall be assigned as such for two (2) successive days.

**SECTION 2.3.** The Duty Examiner/s shall remain at the XIP-DEA as long as the X-ray operation is on-going. They cannot leave the area to perform other assessment functions.

**SECTION 3.** The Duty Examiner/s shall have the following responsibilities:

- a. The Duty Examiner shall review the x-ray image with the assistance of an XIP image analysis inspector;
- b. In consultation with the XIP image analysis inspector, he/she shall preliminarily determine whether the shipment which is tagged "no suspect" and with stamped notation "IMAGE APPEARS TO BE REGULAR," should still be subject for spot-checking, or issuance of Alert Order. If he concurs with the findings, he shall write his name and signature on the stamped notation;
- c. For image marked "suspect" with notation "FOR VERIFICATION," the Duty Examiner may either immediately conduct spot-checking of the cargo in the presence of an XIP spot-checker and other authorized witnesses, or recommend the issuance of an Alert Order. If he/she concurs with the findings, he/she shall stamp on the printed image "FOR SPOT-CHECKING";
- d. For image marked "suspect" but with notation "FOR ISSUANCE OF ALERT ORDER", the Duty Examiner shall affix his name and signature on the stamped notation.

- e. The Duty Examiner/s shall clearly enumerate all the activities for the day in a logbook following the format prescribed in Annex "A" hereof. He/She shall furnish the District Collector on the next working day a photocopy of the pertinent portion of the logbook covering his/her tour of duty.
- f. The Duty Examiner/s shall likewise make sure that spot-checking of containers, which was not completed during the day they were x-rayed, shall be properly noted in the last portion of the Logbook covering his/her tour of duty. He/she shall endorse the same to the succeeding Duty Examiners who shall immediately act thereon. The same endorsement shall be made if upon the next following day, the spot-checking of the container/s remained un-acted upon, clearly stating the reasons therefor.

**SECTION 4.** Spot-checking at the XIP-DEA shall be done in the presence of the Duty Examiner/s. However, for 100% examination pursuant to an Alert Order, the examiner assigned for that particular Import Entry shall be responsible in conducting the examination, to be witnessed by, among others, the Officer/s-on-Case specified in the Order.

**SECTION 5.** The XIP Field Officer shall perform the following, in addition to his responsibilities under Customs Memorandum Order (CMO) Nos. 6-2007 and 13-2007:

- a. The Field Officer shall take note of the actions/recommendations of the Duty Examiner/s. Should a recommendation for the issuance of an Alert Order be made, the Field Officer shall immediately endorse the same to the Head, XIP for issuance by the Deputy Commissioner, EG of an Alert Order without prejudice to Section 6.2 hereunder
- b. The Field Officer shall be responsible in ensuring that appropriate safety and precautionary measures are adopted while the duty examiners are stationed in the XIP-DEA.
- c. The Field Officer shall likewise ensure that the duty examiners will have ample working space in the XIP-DEA.

#### **SECTION 6. MISCELLANEOUS:**

**SECTION 6.1.** To effectively carry out and to further strengthen this mandate, the Deputy Commissioner, EG may, from time to time, order the x-ray scanning of shipments subject of derogatory information. For Import Entries with multiple containers, square-root rule shall be implemented.

**SECTION 6.2.** For expediency, the District Collector, upon receipt of the daily report from the Duty Examiner, may *motu proprio*, or upon further inquiry with the Field Officer, issue the Alert Order against the shipment recommended for 100% examination.

**SECTION 6.3.** To strengthen the existing automated risk management scheme, the XIP shall focus only on shipments, which are electronically selected for x-ray inspection. Except for containers or Import Entries covered under section 6.1 hereof, refrigerated shipments, transshipments, PEZA-bound shipments and export shipments are no longer subject to mandatory container x-ray scanning. Provided that, for personal effects, only single-consignee shipments shall be subject to mandatory container x-ray inspection. Consolidated shipments shall be subject to strict and full 100% examination by the examiner upon

devanning at the authorized outside container yard or designated area for physical inspection.

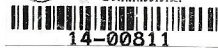
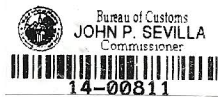
**SECTION 6.4.** For commodities where possible violations cannot be determined through x-ray scanning - such as but not limited to Intellectual Property Rights (IPR) violation, determination as to whether a particular item is brand new or used – they shall be subjected to mandatory ocular spot-checking. The Risk Management Office shall come up with a list of specific commodities susceptible to IPR violation and misdeclaration as to the condition of the commodity. The Import Assessment Service is likewise directed to come up with a list of high-value commodities to assist the Duty Examiner in determining the approximate value of the shipment.

**SECTION 7.** Portions of CMO Nos. 6-2007, 13-2007, 17-2008, 10-2011, 14-2007, 14A-2007, 22-2011, and all rules and regulations that are inconsistent herewith are deemed repealed or modified accordingly.

**SECTION 8.** If any portion of this Order is declared void, the remaining portions shall remain effective.

**SECTION 9.** This Order shall take effect immediately.

  
**JOHN P. SEVILLA**  
Commissioner



FEB 27 2014

LOG BOOK FOR DUTY EXAMINERS:  
DISTRICT/PORT:

DATE:

DUTY EXAMINER/S FOR THE DAY					
	NAME	TIME IN	SIGNATURE	TIME OUT	SIGNATURE
1					
2					

REPORT OF INSPECTION					
CONSIGNEE	CONTAINER NO.	FINDINGS			REMARKS
		NO SUSPECT	FOR SPOT-CHECKING	FOR ALERT ORDER	

ENDORSEMENT TO THE DUTY EXAMINERS FOR					(DATE
CONSIGNEE	CONTAINER NO.	ENTRY NO.	DATE X-RAYED	FINDINGS	REASON FOR ENDORSEMENT